

# **PROTECT YOURSELF: INSURING YOUR TEEN DRIVER**

Insuring a teen driver is often an additional cost for many parents. Many insurance companies consider drivers under the age of 25 a higher risk, and this often translates into higher premiums.

## **TEEN DRIVER FACTS**

According to the American Academy of Pediatrics, one-third of deaths of people ages 16 to 20 are due to motor-vehicle accidents. That's more than 5,000 teens a year. Faced with those statistics, it's important to view teen driving as a privilege, not a right.

## **HELPFUL TIPS**

There are some helpful tips to consider in getting the best value for your auto insurance dollar.

## **LAY THE GROUND RULES**

Insuring a teen driver will result in additional costs for you, no matter which insurance policy you choose. However, how well your teen respects the privilege of driving is a factor you can control. Lay some ground rules for safe driving before your teen ever gets in the driver's seat. Set up driving rules, including:

- Hours during which the teen can and cannot drive
- Number of friends allowed in the car at one time
- Number of miles teen is allowed to drive per day or week

You may also want to consider setting up a driving contract with your teen. The contract should clearly list the teen's duties and

responsibilities when driving and caring for the vehicle and should be signed by both of you.

### **PURCHASE A VEHICLE OR ADD A DRIVER?**

You may not want to purchase a car specifically for your teenager, but adding another driver to your policy can be costly.

For example, if you drive a newer, expensive sports car, adding a teen driver may considerably raise your premiums. However, a modestly priced economy car with liability coverage may be more appropriate for your teen.

Make sure you discuss the available options with your insurance agent.

### **GIVE COMPLETE, CORRECT INFORMATION**

When you call for a quote or fill out an application, give complete and correct information – such as make, model and year of the car the teen will be driving. Since your premium quote will be based on this information, it is very important that your information be as accurate and complete as possible.

### **SHOP AROUND**

It always pays to shop around before buying insurance. Different companies can offer noticeably different premiums. For example, if your child is an honor roll student, passed a driver's education course or has a job, some companies may offer a reduced premium.

Some possible discounts available include:

- Two or more cars on a policy
- Participation in driver education courses
- Good student driver under age 25
- Airbags or other safety equipment
- Anti-theft devices
- Auto/home insurance on same policy or with same company

Ask your agent if any of these discounts are available to you.

## **CONSIDER REVISING COVERAGE, DEDUCTIBLES**

You may want to reduce your auto insurance costs by raising the deductibles on physical damage (collision and comprehensive) coverages. Be sure to review your current deductibles to determine whether you can afford to absorb a larger portion of your loss in the event of an accident.

Also, you may want to consider lowering or eliminating physical damage coverages on older vehicles — unless a lien holder, such as a bank, requires it.

## **REGULARLY REVIEW YOUR POLICY; UPDATE ACCORDINGLY**

Regularly review your policy to make sure the basis for your premium is as accurate as possible. Some things that can affect your premium:

- Adding or removing a vehicle from your policy
- Teen graduates from high school or reaches the age 18

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The Insurance Department is here to help consumers with their insurance needs. There is a wealth of information regarding the resources available by the Delaware Insurance Department. These resources are available either in print or via the Department's website. I encourage Delaware consumers to take advantage of these educational tools.

## **ANY QUESTIONS? CONTACT:**

Delaware Insurance Department  
841 Silver Lake Boulevard  
Dover, Delaware 19904  
(302) 739-4251

[www.state.de.us/inscom](http://www.state.de.us/inscom)

CONSUMER HOTLINE	1-800-282-8611
FRAUD PREVENTION	1-800-632-5154
ELDER <i>info</i>	1-800-336-9500
PRODUCER LICENSING	1-302-739-4254